

Community Development Financial Institutions Program

Technical Assistance Component Application Form

Community Development Financial Institutions Fund

Application

OMB Approval No. 1559-0004

CDFI-0006

Paperwork Reduction Act Notice.

This submission requirements package is provided to applicants for awards under the Community Development Financial Institutions Program. Applicants are not required to respond to this collection of information unless it displays a currently valid OMB number. The estimated average burden associated with this collection of information is 90 hours when completing the certification materials and 50 hours when not completing the certification materials. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Department of the Treasury, Community Development Financial Institutions Fund, 601 13th Street, N.W., Suite 200 South, Washington, DC 20005.

Catalog of Federal Domestic Assistance Number: 21.020

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CDFI FUND MISSION

The mission of the CDFI Fund (the Fund) is to promote access to capital and local economic growth by directly investing in and supporting Community Development Financial Institutions (CDFIs) and expanding financial service organizations' lending, investment and services within underserved markets. CDFIs are financial institutions that specialize in serving underserved communities and the people who live there. CDFIs include community development banks, credit unions, loan funds, microenterprise loan funds, venture capital funds and multi-bank community development corporations.

CDFI FUND AWARDS

The CDFI Program seeks to promote the development of a national network of community-based financial institutions that are dedicated to community development. The Fund certifies organizations as CDFIs and offers the following award programs to support their development and growth:

CDFI Core Awards. CDFIs and institutions proposing to become CDFIs may apply for financial and/or technical assistance in support of an identified business plan. Funds may be used for capitalization, operational expenses, or technical assistance needs.

CDFI Intermediary Awards. *CDFI Intermediaries*¹ (institutions that focus primarily on the financing of other CDFIs) or institutions proposing to become *CDFI Intermediaries* may apply for financial and/or technical assistance in support of an identified business plan. Funds may be used for capitalization, operational expenses, or technical assistance needs.

CDFI Technical Assistance Awards. CDFIs and institutions proposing to become CDFIs may apply for grants that support their identified technical assistance needs.

APPLYING FOR A TECHNICAL ASSISTANCE AWARD²

Eligibility: All applicants must be legally established at the time of application submission. All certified CDFIs are eligible to apply for a *Technical Assistance Award*. Organizations that have not yet been certified as CDFIs, and organizations whose current certifications are due to expire within five months after the final due date of this application as described in the applicable Notice of Funds Availability (NOFA), must either: a) submit an application for certification/recertification in advance of this funding application; or b) apply for certification/recertification through the "Certification Materials" portion (Part II-D) of this application. In the case of applicants applying for certification/recertification as part of this application, the Fund will take one of three courses of action:

- 1) certify the applicant as a CDFI; this action will be taken only if an applicant, at the time the Fund reviews its application materials, satisfies each of the six certification criteria outlined in the "Certification Materials" portion of the application;
- 2) certify that the applicant is "eligible for funding;" an organization that does not meet each of the certification criteria at the time that the Fund reviews its application materials may still be eligible for an award, provided that its "Certification Materials" demonstrate that it is likely to satisfy all six certification criteria within 24 months from September 30 of the calendar year in which the applicable application deadline falls; the Fund will consider disbursing a portion of a *Technical Assistance Award* prior to the awardee being certified if the use of the technical assistance will help the awardee meet the certification requirements; or
- 3) make a determination that the applicant may neither be certified nor deemed "eligible for funding;" in this circumstance, the application cannot be considered for an award and the applicant will be notified of this determination.

¹ Terms in *Capitalized Italics* are defined in the Glossary which is included in the application packet and available on the Fund's website: www.treas.gov/cdfi.

² The contents of this application are consistent with applicable CDFI Fund regulations, found at 12 CFR Parts 1805 and 1815, specifically 12 CFR § 1805.601.

Community Development Financial Institutions Fund

Introduction

Funding Requests: *Technical Assistance Awards* from the Fund are made in the form of grants. An applicant may request an award amount of any size appropriate to its organizational capacity and proposed business plan. An applicant may apply to the Fund for assistance under multiple programs in the same year and in consecutive years, but the Fund will not approve more than \$5 million of aggregated assistance (Core funding, Intermediary funding and technical assistance funding) to an applicant and its *Affiliates* over the course of a three-year period.

Application Contents: The central elements of the CDFI *Technical Assistance Award* application are the *Comprehensive Business Plan* and the *Technical Assistance Proposal (TAP)*. The *Comprehensive Business Plan* outlines the mission, goals and current capacity of the applicant, and its strategy over the next five years. The *TAP* outlines the applicant's specific TA needs, relates these needs to the applicant's *Comprehensive Business Plan* and indicates why an investment by the Fund is a good use of the Fund's resources. Applicants must supply this information in accordance with instructions provided in the application.

Application Review Process: The Fund's two-phase substantive review process is described in the applicable NOFA that accompanies this funding application. The Fund recommends that applicants read the applicable NOFA before completing their applications for assistance. Applicants should be aware that, if their applications are recommended for phase two substantive review, they may be required to submit additional clarifying information to the Fund within two weeks after being so notified. Such clarifying information may include a request for references (including funders and other community development providers serving the applicant's *Target Market*).

The Fund anticipates notifying most applicants of the Fund's final funding decisions within eight months of submission of the application.

Awardee Assistance Agreements and Reporting Requirements

Applicants that are selected to receive an award must enter into an *Assistance Agreement* with the Fund prior to receiving any portion of the award. A key element of the *Assistance Agreement* is the performance goals. In developing performance goals, Fund staff and each applicant will rely on the applicant's historical performance, *Technical Assistance Proposal*, and the annual projections submitted in the *Comprehensive Business Plan's Activities Levels Chart*.

Applicants selected for funding will be required to submit the following reports to the Fund:

Annually:

- a narrative description of the awardee's activities in support of its *Comprehensive Business Plan*;
- information describing the manner in which Fund assistance was used;
- a certification that the awardee continues to meet the awardee eligibility requirements and other *Assistance Agreement* requirements;
- a qualitative and quantitative report on the awardee's progress in meeting its performance goals and compliance with Assistance Agreement requirements; and
- fiscal year end financial statements and status of financial soundness agreement.

Semi-Annually (twice a year):

- Internal financial statements and status of financial soundness agreement.

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Application Instructions

INSTRUCTIONS

1. Read the applicable Notice of Funds Availability (NOFA) that accompanies this application for assistance.
2. Consult the CDFI Glossary of Terms when completing the application. All terms and phrases that are in *Capitalized Italics* in the application can be found in the Glossary. A copy of the Glossary is included in the application packet, and can be obtained from the fund's website: www.treas.gov/cdfi.
3. Complete the application in its entirety. Failure to submit complete application materials may result in the Fund's rejection of the application. Follow the instructions provided under each Part of the application.
4. Use tabs or colored paper to separate Part I, Part II, Part III, Part IV and the appendices to the application. If the applicant is attaching supplemental information to clarify or expand upon the contents of the application, the attachments should be referenced in the relevant portion of the application.
5. Address all items in the *Comprehensive Business Plan* in the same order as listed in the application. In writing the *Comprehensive Business Plan*, assume the audience is learning about the applicant for the first time, even if the applicant has previously received funding or submitted an application.
6. Number the pages of the *Comprehensive Business Plan*. Ideally, the plan should not be more than 18 pages, excluding financial statements and other attachments.
7. Include a table of contents in the *Comprehensive Business Plan*.
8. In the case of applicants that have *Affiliates*, especially *Start-Up* organizations, the *Comprehensive Business Plan* must be written from the perspective of the applicant. Reference the activities of the parent company or other *Affiliates* only to the extent they are relevant in helping the applicant carry out its *Comprehensive Business Plan*.
9. Address all items in the *TAP* in the same order as listed in the application. Number the pages consecutively. The *TAP* should not be more than eight pages excluding attachments.
10. In the case of applicants submitting an application with a *Community Partner*, the application will be

evaluated based on the extent to which the applicant and *Community Partner* will participate in carrying out the activities of the community partnership, the extent to which the *Community Partner* will enhance the likelihood of success of the *Comprehensive Business Plan*, and the extent to which service to the *Target Market* will be better performed by the partnership than by the applicant alone. Thus, the *Comprehensive Business Plan* should address the activities of both the applicant and the *Community Partner*.

SUBMITTING YOUR APPLICATION

Submit one original and three copies of this application (one original and four copies if your organization is seeking certification or recertification as part of this application) to the address below. The original should not be placed in a binder and should not include tabs. Each copy should be placed in a three-ring binder, without staples or other forms of binding.

Send to:

Awards Manager
Community Development Financial Institutions Fund
U.S. Department of the Treasury
601 13th Street, N.W., Suite 200 South
Washington, D.C. 20005

Applications faxed or sent via e-mail will not be accepted. Applications must be received by the Fund prior to the application deadline specified in the applicable NOFA.

ADDITIONAL QUESTIONS AND INFORMATION SOURCES

If you have any questions about this application, you may contact the Fund by telephone at (202) 622-8662, by e-mail at cdfihelp@cdfi.treas.gov, or by facsimile to (202) 622-9184. Additional information on the Fund and its programs, including copies of the CDFI Program regulations, funding applications and other materials, are available on the Fund's web site: www.treas.gov/cdfi.

The Fund also conducts a number of information sessions in selected cities across the country each year prior to the due date for each of the funding rounds. These sessions include information on CDFI certification requirements. A schedule of these sessions is included in the applicable NOFA and is posted on the Fund's web site.

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Application Checklist

The following items must be included or the application will be considered incomplete.

- ☐ Part I. Applicant Information
- ☐ Part II. Certification Materials
- ☐ Part III. Comprehensive Business Plan
 - ☐ Table of Contents
 - ☐ Executive Summary
 - ☐ Community Development Track Record
 - ☐ Activities Level Chart (three year historical data)
 - ☐ Financial and Operational Capacity
 - ☐ Financial Statements
 - ☐ Loan Portfolio Quality Chart
 - ☐ Financial Data Input Chart (if applicable)
 - ☐ Capacity, Skills and Experience of the Management Team
 - ☐ Market Analysis, Program Design and Implementation Plan
 - ☐ Projected Activities and Community Development Impact
 - ☐ Activities Level Chart (five year projections)
 - ☐ Community Development Impact Chart
 - ☐ Funding Sources
- ☐ Part IV. Technical Assistance Proposal
 - ☐ TAP Award Request Form

Community Development Financial Institutions Fund

Part I. Applicant Information

Application Type:

Technical Assistance Component

Applying for Certification (or Recertification¹) with this Application:

☐ Yes

☐ No

Applicant Contact Information

Applicant Organization Name:

Mailing Address (Provide mailing address and physical address for overnight deliveries. Provide nine-digit zip code where available):

Tax Payer Identification No:

Dunn & Bradstreet No. (if available):

Authorized Representative Name and Title, and address if different from applicant:

Telephone number

Fax number

E-mail address

Contact Person Name and Title, and address if different from applicant:

Telephone number

Fax number

E-mail address

Community Partner Name (if applicable):

Estimate how long this application took to complete: _____ Hours

To the best of my knowledge and belief, all information in this application is true and correct. The application has been duly authorized by the governing body of the applicant, and the applicant will comply with all Assurances and Certifications included with this application if the assistance is awarded.

Authorized Representative Signature:

Date:

Community Partner Signature (if applicable):

Date:

¹ Certified CDFIs must submit an application for recertification if their certification has expired or is due to expire within five months after the final due date of this funding application.

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Part I. Applicant Information

Applicant Organizational Characteristics

Congressional District of the applicant's headquarters. If the applicant serves other Congressional Districts, list the three other Districts in which most of the applicant's activity occurs:

List all of the states currently served by the applicant:

Target Market (check all that apply): ☐ Urban ☐ Suburban ☐ Rural

Type of Entity (Check one):

- ☐ For-profit
☐ Non-profit
☐ Other (specify):

Tax Exempt Status:

- ☐ 501(c)(3) ☐ 501(c)(4)
☐ Other (specify):

NOTE: Applicants with a 501(c)(4) designation must complete the "501(c)(4) Questionnaire" at the end of Part I. Applicant Information. Organizations with a 501(c)(4) designation that engage in lobbying activities on or after January 1, 1996, are not eligible to receive an award from the Fund. See 2 U.S.C. 1611.

Type of Financial Institution (check one):

- ☐ Thrift, Bank or Bank Holding Company
☐ Credit Union
☐ Venture Capital Fund
☐ Loan Fund
☐ Multi-Bank CDC
☐ CDFI Intermediary
☐ Other (specify):

Financing Activities (check all that apply):

- ☐ Microenterprise
☐ Business
☐ Housing
☐ Facilities
☐ Consumer Loans
☐ Consumer Checking/Savings Accounts
☐ Other (specify):

Predominant Financing Activity: If more than one financing activity is checked above, indicate which one is the activity most likely to be supported by the award requested in this funding application:

Applicant's Date of Incorporation (month/day/year):

Date the applicant began to incur operating expenses (month/year):

NOTE: Applicants that began to incur operating expenses two years prior to the date of the applicable NOFA are considered *Start-Ups*.

Total Assets of applicant at the time of submission of this application: \$

Continued

Community Development Financial Institutions Fund

Part I. Applicant Information

Applicant Organizational Characteristics (continued)

CDFI Fund Certification Status:

☐ Applying for Certification under this submission

☐ Applying for Recertification¹ under this submission

Date of initial CDFI Certification: _____

CDFI Fund Certification number (if available): _____

☐ CDFI Certification is pending.

Date of initial application for CDFI Certification: _____

CDFI Fund Certification application number (if available): _____

☐ CDFI Certification is current (not expiring within five months after the final due date of this funding application).

Date of initial CDFI Certification: _____

CDFI Fund Certification number (if available): _____

CDFI Fund Award Status (attach additional sheets of paper if needed):

☐ Applicant and *Affiliates* have not previously received financial assistance from CDFI Fund.

☐ Applicant and/or *Affiliates* have previously received financial assistance from CDFI Fund:

Name of recipient:

CDFI Award No:

Name of recipient:

CDFI Award No:

Name of recipient:

CDFI Award No:

Is the applicant currently/has the applicant ever:

Been delinquent on amounts due to the IRS?

☐ No

☐ Yes

Been delinquent on any debts owed to Federal, State, or local governments?

☐ No

☐ Yes

Filed for bankruptcy?

☐ No

☐ Yes

If the answer to any of the above questions is yes, attach an explanation at the end of this Part I. Applicant Information.

¹ Certified CDFIs must submit an application for recertification if their current certification has expired or is due to expire within five months after the final due date of this funding application.

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Part I. Applicant Information

Award Request Summary

Technical Assistance

Training Services	\$ _____
Consulting Services	\$ _____
Technology	\$ _____
Other	\$ _____
Total Technical Assistance	\$ _____

Note: The above figures must be consistent with the figures provided in the *Technical Assistance Award Request Form* in the TAP portion of this application.

Affiliate Information Table

Applicants with *Affiliates* must complete this table. Attach additional sheets of paper if needed.

Affiliate Name	Certified CDFI (yes/no)	Total Assets (as of last completed fiscal year)
		\$
		\$
		\$
		\$

Forms and Assurances

Complete and attach the following items, which are included at the end of this section:

1. Environmental Review Form
2. Assurances and Certifications Form
3. 501(c)(4) Questionnaire (required only of those applicants that have a 501 (c)(4) designation from the Internal Revenue Service)

Part I. Environmental Review Form

[illegible]

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Part I. Assurances and Certifications

A. OMB Standard Form 424B: Assurances — Non-Construction Programs

Note: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency.

As the duly authorized representative of the Applicant, I certify that the Applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States, and if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work (activities in application) within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4728-4763) relating to prescribed standards for merit systems for programs funded under one of the nineteen statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 CFR 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§ 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply with the provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. 276a to 276a-7), the Copeland Act (40 U.S.C. 276c and 18 U.S.C. 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), regarding labor standards for federally assisted construction subagreements.

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Part I. Assurances and Certifications

10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.); (f) conformity of Federal actions to State (Clear Air) Implementation Plans under Section 176(c) of the Clear Air Act of 1955, as amended (42 U.S.C. 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended, (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. 469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. 2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq.) which prohibits the use of lead based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act of 1984.
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations and policies governing this program.

B. Additional Certifications

In addition to the assurances and certifications provided by the Applicant pursuant to OMB Standard Form 424B, the Applicant hereby assures and certifies that:

1. It is duly organized and validly existing under the laws of the jurisdiction in which it was incorporated or otherwise established, and is (or within 30 days will be) authorized to do business in any jurisdiction in which it proposes to undertake activities specified in this application;
2. Its Board of Directors (or similar governing body) has by proper resolution or similar action authorized the filing of this application, including all understandings and assurances contained herein, and directed and authorized the person identified as the authorized representative of the Applicant to act in connection with this application and to provide such additional information as may be required;
3. It will comply with all applicable requirements of the Community Development Banking and Financial Institutions Act of 1994 (the Act) [12 U.S.C. 4701 et seq.], regulations implementing the Act and all other applicable Department of the Treasury regulations and implementing procedures (and any regulations or procedures which are later promulgated to supplement or replace them);
4. It will comply, as applicable and appropriate, with

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Part I. Assurances and Certifications

the requirements of OMB Circulars (e.g., A-110 and A-133) and any regulations and circulars which are later promulgated to supplement or replace them, including standards for fund control and accountability;

5. It has not knowingly and willfully made or used a document or writing containing any false, fictitious or fraudulent statement or entry as part of this application or any related document, correspondence or communication. (The Applicant and its authorized representative should be aware that, under 18 U.S.C. 1001, whoever knowingly and willfully makes or uses such document or writing shall be fined or imprisoned for not more than five years, or both); and
6. The information in this application, and in these assurances and certifications in support of the application, is true and correct to the best of the Applicant's knowledge and belief and the filing of this application has been duly authorized.

determines to enter into this transaction. If it is later determined that the Applicant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Fund may terminate this transaction for cause or default.

4. The Applicant shall provide immediate written notice to the Fund if at any time the Applicant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transactions," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause (certification), have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the Fund for assistance in obtaining a copy of those regulations (31 CFR part 19).

C. Certification Regarding Debarment, Suspension, and Other Responsibility Matters — Primary Covered Transactions

Instructions for Certification

1. By signing and submitting this application, the prospective primary participant (the Applicant) is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in the denial of participation in this covered transaction. The prospective Applicant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the Fund's determination whether to enter into this transaction (approval and funding of the application). However, failure of the Applicant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. This certification is a material representation of fact upon which reliance is placed when the Fund
6. The Applicant agrees by submitting this application that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Fund.
7. The Applicant further agrees by submitting this application that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," to be provided by the Fund, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions (see 31 CFR part 19, Appendix B).
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines

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Part I. Assurances and Certifications

the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the Fund may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters — Primary Covered Transactions

1. The prospective primary participant (the Applicant) certifies to the best of its knowledge and belief, that it and its principals:
 - (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) have not within a three-year period preceding this application had one or more public transactions (Federal, State or local) terminated for cause or default.

2. Where the applicant is unable to certify to any of the statements in this certification, such Applicant shall attach an explanation to this proposal.

D. Certification Regarding Drug-Free Workplace Requirements

1. The Applicant certifies that it will provide a drug-free workplace by:
 - (a) publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employee for violations of such prohibition;
 - (b) establishing a drug-free awareness program to inform employees about:
 - (i) the dangers of drug abuse in the workplace;
 - (ii) the Applicant's policy of maintaining a drug-free workplace;
 - (iii) any available drug counseling, rehabilitation, and employee assistance program; and
 - (iv) the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace
 - (c) making it a requirement that each employee to be engaged in the performance of the award be given a copy of the statement required by subparagraph (a);
 - (d) notifying the employee in the statement required by subparagraph (a) that, as a condition of employment in such grant, the employee will:
 - (i) abide by the terms of the statement; and
 - (ii) notify the employer of any criminal drug use statute conviction for a violation occurring in the workplace no later than five calendar days after such conviction;
 - (e) notifying the granting agency in writing, within ten calendar days after receiving notice of a conviction

Community Development Financial Institutions Fund

Part I. Assurances and Certifications

under subparagraph (d) (ii) from an employee or otherwise receiving actual notice of such conviction;

(f) taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(ii), with respect to any employee who is so convicted:

- (i) taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
- (ii) requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and

(g) making a good faith effort to continue to maintain a drug-free workplace through implementation of subparagraphs (a), (b), (c), (d), (e), and (f).

2. The Applicant may insert in the space provided below the site(s) for the performance of work (activities carried out by the Applicant) to be done in connection with the award:

Place of Performance (Street Address, City, County, State and Zip Code)

E. Certification Regarding Lobbying

1. The Applicant certifies, to the best of its knowledge and belief, that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract,

grant, loan, or cooperative agreement;

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this application, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

(c) The Applicant shall require that the language of this certification be included in the award documents for all subawards of all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

2. This certification is a material representation of fact upon which reliance is placed when this transaction is made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

F. Signature

I hereby certify and attest to the Assurances and Certifications as set forth in this Appendix A. The Applicant shall comply with these Assurances and Certifications to the extent required by law.

Legal Name of Applicant

Print Name and Title of Authorized Representative

Signature of Authorized Representative

Date signed

Community Development Financial Institutions Fund

Part I. 501(c)(4) Questionnaire

I. Instructions to Applicants

This questionnaire is necessary for the Community Development Financial Institutions Fund (Fund) to determine whether an Applicant that has a 501(c)(4) designation from the Internal Revenue Service is eligible to receive an award from the Fund (see 12 C.F.R. § 1805.200(a)(3)).

Please read all definitions before responding to the questions and continue to refer to such definitions in responding to this questionnaire. If the answer to any question is yes, please describe in detail the facts and circumstances, the subject matter(s), the date(s), the names and titles of all individuals and their employers and their organizations on a separate sheet(s) of paper. The Fund reserves the right to seek follow-up responses from an Applicant.

Failure to complete this questionnaire, sign the attached certification, and, if applicable, respond timely to follow-up questions, will delay the Fund's processing of the Application, and may result in the disqualification of the Application from further consideration. After the submission of responses to this questionnaire, the Applicant is under a continuing obligation to: 1) supplement its responses upon a change in circumstances; and 2) revise or modify its responses within 10 business days of having actual or constructive knowledge that the responses previously submitted and certified are no longer complete, accurate, or true.

II. Scope

The scope of this questionnaire is limited to activities on or after January 1, 1996.

III. Questions

- 1) Has any officer, employee, director, partner, proprietor, or Board member contacted¹ a "covered executive branch official"² with regard to the formulation, modification, or adoption of Federal legislation (including legislative proposals)?
Yes _____ No _____
- 2) Has any officer, employee, director, partner, proprietor, or Board member contacted a "covered executive branch official" with regard to the formulation, modification, or adoption of a Federal rule, regulation, Executive Order, or any other program, policy, or position of the United States Government?
Yes _____ No _____
- 3) Has any officer, employee, director, partner, proprietor, or Board member contacted a "covered executive branch official" with regard to the administration or execution of a Federal program or policy (including the negotiation, award, or administration of a Federal contract, grant, loan, permit, or license)?
Yes _____ No _____
- 4) Has any officer, employee, director, partner, proprietor, or Board member contacted a "covered executive branch official" with regard to the nomination or confirmation of a person for a position subject to confirmation by the United States Senate?
Yes _____ No _____

¹ "Contacted" means any oral or written communication including an electronic communication.

² "Covered executive branch official" means--

- (1) the President;
- (2) the Vice President;
- (3) any officer or employee, or any other individual functioning in the capacity of such an officer or employee, in the Executive Office of the President;
- (4) any officer or employee serving in an Executive Level I-V position, a "Schedule C" position, or any official in a Senior Executive Service position;
- (5) any member of the uniformed services serving at grade 0-7 or above; or
- (6) any officer or employee serving in a position of a confidential, policy-determining, policy-making, or policy-advocating character.

Community Development Financial Institutions Fund

Part I. 501(c)(4) Questionnaire

- 5) Has any officer, employee, director, partner, proprietor, or Board member engaged in efforts supporting and coordinating the contact by others of a "covered executive branch official," including preparation and planning activities, research and other background work that was intended, at the time performed, for a purpose described in Questions 1 - 4?
Yes _____ No _____
- 6) Has any officer, employee, director, partner, proprietor, or Board member contacted a "covered legislative branch official"¹ with regard to the formulation, modification, or adoption of Federal legislation (including legislative proposals)?
Yes _____ No _____
- 7) Has any officer, employee, director, partner, proprietor, or Board member contacted a "covered legislative branch official" with regard to the formulation, modification, or adoption of a Federal rule, regulation, Executive Order, or any other program, policy, or position of the United States Government?
Yes _____ No _____
- 8) Has any officer, employee, director, partner, proprietor, or Board member contacted a "covered legislative branch official" with regard to the administration or execution of a Federal program or policy (including the negotiation, award, or administration of a Federal contract, grant, loan, permit, or license)?
Yes _____ No _____
- 9) Has any officer, employee, director, partner, proprietor, or Board member contacted a "covered legislative branch official" with regard to the nomination or confirmation of a person for a position subject to confirmation by the United States Senate?
Yes _____ No _____
- 10) Has any officer, employee, director, partner, proprietor, or Board member engaged in efforts supporting and coordinating the contact by others of a "covered legislative branch official," including preparation and planning activities, research and other background work that was intended, at the time performed, for a purpose described in Questions 6-9?
Yes _____ No _____

IV. Signature

I, _____ (the "Authorized Representative"), do hereby certify on behalf of _____ (the "Applicant") that: i) the Applicant's answers to the "Questionnaire for Applicants which the Internal Revenue Service has recognized as exempt from Federal income tax under Internal Revenue Code Section 501(c)(4)" and the written explanations attached thereto are true, accurate, and complete to the best of my information, knowledge, and belief; and ii) since January 1, 1996, the Applicant has not engaged in Lobbying Activities as defined in Section 3(7) of the Lobbying Disclosure Act of 1995, P.L. 104-65, as amended.

Signature of Authorized Representative

Date

¹ "Covered legislative branch official" means--

- (1) a Member of Congress;
- (2) an elected officer of either House of Congress; and
- (3) any employee of the House or Senate, including employees of Members, committees, leadership, and working groups or caucuses organized to provide legislative services or other assistance to Members of Congress.

Community Development Financial Institutions Fund

Part II-A. Certification Materials Checklist

- ☐ A. Certification Materials Checklist
- ☐ B. Certification of Material Changes (required of those applicants that are already certified and are *not* applying for recertification as part of this funding application¹). If your organization is not applying for certification or recertification as part of this funding application, do not complete the remainder of this checklist.
- ☐ C. Industry Data (required only of those applicants applying for certification or recertification)
- ☐ D. Certification Materials (required only of those applicants applying for certification or recertification)

Primary Mission

- ☐ Articles of incorporation (or similar organizing documents) and current bylaws
- ☐ Official document(s) referencing mission statement OR specified narrative information
- ☐ If applicable, information on shares of voting stock held by *Insured Depository Institution* or *Depository Institution Holding Company* investors
- ☐ If applicable, narrative information describing actions to be taken to meet the Primary Mission requirements

Financing Entity

If your organization is an *Insured Depository Institution*, insured credit union or *Depository Institution Holding Company*:

- ☐ Organizing documents and/or certificate of insurance

All other organizations:

- ☐ Asset Information Table with specified narrative information
- ☐ Staff Allocation Table with specified narrative information
- ☐ Year-end financial statements
- ☐ If applicable, narrative information describing actions to be taken to meet the Financing Entity requirements.

Target Market

If your organization has identified an *Investment Area* as its *Target Market*:

- ☐ Investment Area worksheet
- ☐ Investment Area map
- ☐ Narrative description of unmet needs
- ☐ Applicant Activity Table with specified narrative information

If your organization has identified a *Low-Income Targeted Population* as its *Target Market*:

- ☐ Applicant Activity Table with specified narrative information

If your organization has identified an *Other Targeted Population* as its *Target Market*:

- ☐ Information demonstrating that the population has unmet capital needs
- ☐ Applicant Activity Table with specified narrative information

- ☐ If applicable, narrative information describing actions to be taken to meet the *Target Market* requirements

Development Services

- ☐ Specified narrative information on content of *Development Services*
- ☐ If applicable, narrative information describing actions to be taken to meet the *Development Services* requirements

Accountability

If your organization is demonstrating accountability through the governing board:

- ☐ A list of the governing board members, indicating which members represent the *Target Market*

If your organization is demonstrating accountability through other means:

- ☐ Specified narrative information
- ☐ If applicable, narrative information describing actions to be taken to meet the Accountability requirements

Non-Government Entity

- ☐ If applicable, specified narrative information
- ☐ If applicable, narrative information describing actions to be taken to meet the Non-Government Entity requirements

¹ Certified CDFIs must submit an application for recertification if their current certification has expired or will expire within five months after the deadline of this application.

Community Development Financial Institutions Fund

Part II-B. Certification of Material Changes

Instructions: You must complete Part II-B if: 1) your organization has already been certified as a CDFI by the CDFI Fund; and 2) your current certification is not scheduled to expire within five months after the final due date for this funding application. Applicants meeting both of these criteria should complete and sign this form and proceed to Part III of this application. All other applicants shall proceed to Part II-C of this application.

Legal Name of Organization _____

Please check the appropriate box.

- ☐ I certify that no material changes have occurred in my organization since the date of its certification which may affect its status as a certified CDFI; and that my organization's current certification will not expire within five months after the final due date for this funding application.
- ☐ I certify that the following constitute all of the material changes that have occurred in my organization since the date of its certification which may affect its status as a certified CDFI. *Please use additional sheets if necessary and attach any relevant documentation.*

Print name and title of *Authorized Representative* of applicant

Signature of *Authorized Representative* of applicant

Date

Part II-C. Industry Data

1. Year the applicant organization started its financing activities: _____
2. End of most recently completed fiscal year (month/year): _____
3. Staff (# of *Full-Time Equivalents*. Include volunteers that are an integral part of your staffing structure) as of the end of the most recently completed fiscal year: _____
4. *Net Assets* (non-profits), *Net Worth* (for-profits) or *Net Capital* (credit unions) as of the end of the most recently completed fiscal year: \$_____
5. *Total Expenses* during the most recently completed fiscal year: \$_____
6. *Total Earned Income* during the most recently completed fiscal year: \$_____
7. *Capital Available for Lending and Equity Investments*. In the case of *CDFI Intermediaries*, also include capital available for deposits in *Insured CDFIs* or emerging *Insured CDFIs* as of the end of the most recently completed fiscal year: \$_____
8. *Loans and Equity Investments* outstanding as of the end of the most recently completed fiscal year:
of loans: _____ \$ amount of loans: _____
of *Equity Investments*: _____ \$ amount of *Equity Investments*: _____
9. *Loans Closed and Equity Investments Closed* during the most recently completed fiscal year:
of loans: _____ \$ amount of loans: _____
of *Equity Investments*: _____ \$ amount of *Equity Investments*: _____
10. *Past Due Loans* as of the end of the most recently completed fiscal year:
All CDFIs Except Credit Unions: 30-89 days past due: \$_____
90 or more days past due: \$_____
Credit Unions ONLY: 2 to 6 months past due: \$_____
6 or more months past due: \$_____
11. *Net Write-Offs* or *Net Charge-Offs* during the most recently completed fiscal year:
of loans: _____ \$ amount of loans: \$_____
12. # of jobs created or retained by borrowers or investees as a result of the applicant's financing during its most recently completed fiscal year: _____
13. # of housing units developed or rehabilitated by borrowers or investees as a result of the applicant's financing during its most recently completed fiscal year¹: _____
14. # of non-profit or other community service organizations financed by the applicant during its most recently completed fiscal year: _____
15. Number of clients receiving *Development Services* from the applicant during its most recently completed fiscal year: _____

Technical Assistance Component Application Form

Community Development Financial Institutions Fund

Part II-D. Certification Materials

Applicants that have not yet been certified as a CDFI, and applicants whose current certifications have expired or are scheduled to expire within five months after the final due date for this funding application, must complete Section II-D.

General Information

Generally, in order to receive any disbursement of a *Technical Assistance Award* from the CDFI Fund, an organization must be certified as a CDFI by the Fund. In order to be certified, an organization must be a legal entity at the time of this funding application, and must meet each of the following certification criteria:

1. The organization and its *Affiliates* must collectively have a primary mission of promoting community development;
2. The organization must be a *Financing Entity*;
3. The organization must principally serve a *Target Market*;
4. The organization must provide *Development Services* in conjunction with its financing activities;
5. The organization must maintain accountability to its defined *Target Market*; and
6. The organization must be a non-governmental entity, and must not be controlled by one or more governmental entities.

Only applicant organizations that meet each of these six criteria will be certified by the Fund¹. Applicant organizations that are *Depository Institution Holding Companies* or are *Affiliates* of *Depository Institution Holding Companies* or *Subsidiaries* of *Insured Depository Institutions* must demonstrate that the applicant and its *Affiliates* or *Subsidiaries* collectively meet each of the six criteria. The six criteria, and the respective submission requirements of each, are discussed in detail in subparts 1-6 below. Before proceeding to these subparts, be sure to review the definition of *Affiliate* provided in the Glossary.

Applicants that do not meet each of the certification criteria at the time that the Fund reviews their application materials may still be eligible for funding, provided that the information provided under subparts 1-6 demonstrates that they are likely to satisfy all six certification criteria within 24 months from September 30 of the calendar year in which the applicable application deadline falls. Applicants that may neither be certified nor deemed eligible for funding cannot be considered for an award, and will be notified by the Fund of this determination.

¹ An entity that is unable to meet one or more of the eligibility requirements (e.g., financing entity) may create a separate entity for purposes of meeting these requirements. In order to be eligible for consideration, the new entity must legally exist at the time of application.

1. PRIMARY MISSION

Purpose: To determine whether an applicant and its *Affiliate(s)* collectively have a primary mission of promoting community development.

Key Criteria: In order to be deemed eligible under this criterion, an applicant and its *Affiliate(s)*, taken collectively, must have a primary mission of promoting community development. For purposes of this requirement, “promoting community development” is defined as purposefully improving the social and/or economic conditions of: (1) underserved people (including low-income people and people who lack adequate access to capital and/or *Financial Services*); and/or (2) residents of distressed communities (which may include *Investment Areas*). An applicant may meet this requirement by providing incorporating documents, bylaws, annual reports, or other organizational documents of the applicant and the *Affiliate(s)* that, in the judgment of the Fund, evidence such a primary mission.

In the circumstances where a primary mission of promoting community development is not clearly evidenced by the entity’s organizational documents, an applicant may still demonstrate a primary mission of promoting community development by showing that the collective activities and products of the applicant and its *Affiliate(s)* evidence such a primary mission.

For purposes of this requirement, an entity that has a mission directed at serving distressed communities must be able to demonstrate that its activities directly benefit community residents (for example, through the provision of jobs, and/or needed goods or services) of such distressed communities. The Fund will not deem activities that only provide indirect benefits to residents, such as an increase in the community’s overall tax base, as evidence of an applicant and its *Affiliate(s)* primary mission of promoting community development.

Information Needed from the Applicant:

1. Is the applicant organization currently a legal entity, with articles of incorporation (or similar organizing documents) filed with the state or other appropriate body in which it was incorporated and/or established?
☐ Yes (If yes, attach articles of incorporation or similar organizing documents)
☐ No (If no, the applicant is not eligible for certification as a CDFI)

2. Attach a copy of the applicant organization’s current bylaws.
3. Does the applicant organization have any *Affiliates*?
☐ Yes
☐ No
4. Do the incorporating documents, bylaws, annual reports, or other organizational documents of the applicant organization and its *Affiliate(s)* collectively evidence a primary mission of promoting community development, as defined above under the Key Criteria section?
☐ Yes (If yes, attach the appropriate documents reflecting the entities’ missions)
☐ No
5. If your answer to question #4 above is “No”, provide a brief narrative describing how the collective activities and products of the applicant organization and its *Affiliate(s)* evidence a primary mission of promoting community development, as described above under the Key Criteria section (Suggested length: one page).
6. If the applicant or any of its *Affiliate(s)* issues stock, attach information indicating the proportion of voting stock held by *Insured Depository Institutions* or *Depository Institution Holding Companies*.
7. Do you believe, based upon the information provided under questions 1-6 of this subsection, that your organization currently meets the requirements of the Primary Mission test?
☐ Yes
☐ No

If no, provide narrative (suggested length: one page) indicating what steps will be taken by your organization to ensure that it meets the Primary Mission requirements within 24 months from September 30 of the calendar year in which the applicable application deadline falls.

Community Development Financial Institutions Fund

Part II-D. Certification Materials

2. FINANCING ENTITY

Purpose: To determine whether an applicant is an *Insured Depository Institution*, *Depository Institution Holding Company*, or insured credit union, or whether it can otherwise demonstrate that it is a *Financing Entity*.

Key Criteria: Applicants that are insured credit unions, *Insured Depository Institutions* or *Depository Institution Holding Companies* are considered *Financing Entities* by virtue of their status as regulated financial institutions. All other applicants will need to demonstrate that they are *Financing Entities*.

The Fund will examine information about an applicant's assets and its allocation of staff resources to determine whether the applicant's combined provision of *Financial Products and Development Services* make up a simple majority (more than 50%) of its activities. If so, the applicant will be determined to be a *Financing Entity*.

In circumstances where these activities, combined, are not the majority of an applicant's activities, the Fund will also consider the extent to which the applicant engages in *Financing Related Activities*. These activities may include:

- the provision of pre-development grants, provided that, in the opinion of the Fund, they are offered to the applicant's borrowers or potential borrowers in order to enhance such borrowers' or potential borrowers' ability to use the applicant's lending or investment products; and
- the provision of loan packaging, provided that the applicant is financing a portion of the loan that is being packaged for another lender.

An applicant whose *Financial Products*, *Development Services* and *Financing Related Activities*, when combined, make up a simple majority of its total activities will be determined to be a *Financing Entity*. The Fund recognizes that an applicant may engage in a variety of different activities, and therefore may not be able to demonstrate that a majority of its activities are dedicated

to *Financial Products*, *Development Services* and *Financing Related Activities*. Such an applicant may still be considered a *Financing Entity* if, in the judgment of the Fund, these activities collectively represent a plurality (the largest component) of its total activities.

Notwithstanding the above criteria, non-regulated applicants that are *Start-Ups* cannot be considered *Financing Entities* prior to making their first loan or *Equity Investment*.

Information Needed from the Applicant:

1. Is the applicant an *Insured Depository Institution*, *Depository Institution Holding Company*, or *Insured Credit Union*?
 - ☐ Yes (If yes, attach your organizing documents and/or current certificate of insurance indicating your status as such an entity. Please skip to Part 3, "Target Market," below).
 - ☐ No
2. Has the applicant made its own loans and/or *Equity Investments* that are reflected on its statement of financial position (balance sheet)?
 - ☐ Yes
 - ☐ No
3. (a) Complete the Asset Information Table below, using the applicant's financial statements from its most recently completed fiscal year (audited, if available). Before completing this table, be sure to review the definitions of *Financial Products*, *Development Services*, and *Financing Related Activities* provided in the glossary.
3. (b) Provide explanatory notes clarifying how you used information from your organization's financial statements to derive the figures in rows B, C, and, if applicable, E and G of the Asset Information Table.

Community Development Financial Institutions Fund

Part II-D. Certification Materials

Asset Information Table

	Category	Dollar Amount	% of Total Assets
A.	Total Assets		100%
B.	<i>Financial Products</i> assets ¹		%
C.	<i>Development Services</i> assets ²		%
D.	Subtotal (rows B +C)		%
E.	If row D ≤ 50% of total assets: <i>Financing Related Activities</i> assets ³		%
F.	Subtotal (rows D+E)		%
G.	If row F ≤ 50% of total assets: All other assets ⁴		%
	1.		%
	2.		%
	3.		%
	4.		%

¹ Row B should include loans receivable and *Equity Investments* resulting from *Arms-Length Transactions*, as well as cash, cash equivalents, contracts receivable, grants receivable and other assets restricted by the source, or designated by an applicant's Board or similar body, for the provision of *Financial Products*.

² Row C should include contracts or grants receivable for the provision of *Development Services*, and cash or cash equivalents restricted by the source, or designated by an applicant's Board or similar body, for the provision of *Development Services*.

³ Row E only needs to be completed if row D comprises 50% or less of your organization's total assets. Estimate the total assets devoted to the provision of *Financing Related Activities*.

⁴ Row G only needs to be completed if row F comprises 50% or less of your organization's total assets. List each category of your organization's "other assets" separately on lines 1-4. These categories should be self-identified, and may include, for example, real estate development assets, assets related to the provision of social services, or fixed assets.

4. (a) Complete the Staff Allocation Table below, based on your current allocation of staff resources.

For purposes of this table, the Fund defines one *Full Time Equivalent (FTE)* as one person working a 40-hour workweek. In calculating the number of *FTEs*, an organization may aggregate the work hours of part-time employees (for example, if an organization has two part-time employees who each work 20 hours per week, they may be counted as one *FTE*).

An organization that has staff occupying multiple categories of activities identified in the Staff Allocation Table should allocate *FTEs* based on the estimated percentage of staff time an employee devotes to each category of activity.

An organization whose Board members or other volunteers devote significant time to fulfilling an organization's day-to-day operational responsibilities may aggregate such time into the calculations of *FTEs* in the Staff Allocation Table.

4. (b) Provide a brief narrative description of how you derived the figures in the Staff Allocation Table. Specifically, explain how staff with multiple responsibilities are represented in the Table. To the extent that volunteers or Board members make up a significant portion of your organization's day-to-day staffing, explain their responsibilities and indicate how they are represented in the Table.

Community Development Financial Institutions Fund

Part II-D. Certification Materials

Staff Allocation Table

	Category	FTEs	% of Total FTEs
A.	Total Number of Full-Time Equivalent (FTE) Staff		100%
B.	FTEs devoted to provision of <i>Financial Products</i> ¹		%
C.	FTEs devoted to <i>Development Services</i> ²		%
D.	Subtotal (rows B+C)		%
E.	If row D ≤ 50% of total FTEs: FTEs devoted to <i>Financing Related Activities</i> ³		%
F.	Subtotal (rows D+E)		%
G.	If row F ≤ 50% of total FTEs: All other FTEs ⁴		
	1.		%
	2.		%
	3.		%
	4.		%

¹ Estimate the number of *FTEs* devoted to activities directly related to the applicant's Financial Products. These activities may include loan processing, underwriting, servicing, and related administrative activities.

² Estimate *FTEs* devoted to *Development Services* that directly support the applicant's Financial Products.

³ Row E only needs to be completed if row D comprises 50% or less of your organization's total number of *FTEs*. Estimate the number of *FTEs* devoted to the provision of *Financing-Related Activities*.

⁴ Row G only needs to be completed if row F comprises 50% or less of your organization's total number of *FTEs*. List each category of "other *FTEs*" separately as indicated in lines 1-4. These categories should be self-identified and may include, for example, staff devoted to real estate development or management, staff devoted to the provision of social services, etc.

5. Attach a copy of the applicant's financial statements for its most recently completed fiscal year. If such financial statements are not yet audited, also attach a copy of the applicant's most recent audited financial statements.

6. Do you believe, based upon the information provided under questions 1-5 of this subsection, that your organization currently meets the requirements of the *Financing Entity* test?

☐ Yes

☐ No

If no, provide narrative (suggested length: one page) indicating what steps will be taken by your organization to ensure that it meets the *Financing Entity* requirements within 24 months from September 30 of the calendar year in which the applicable application deadline falls.

3. TARGET MARKET

Purpose: To determine whether an applicant's activities are principally directed to serving a *Target Market*.

Key Criteria: The requirements of this section are twofold. The applicant must first designate an eligible *Target Market*, and then demonstrate that a minimum of approximately 60% of its activities are directed towards serving its *Target Market*.

Designating a Target Market

An eligible *Target Market* may be comprised of: *Investment Area(s)*; a *Low-Income Targeted Population*; *Other Targeted Population(s)*; or any combination of the three. An applicant need only designate one *Investment Area*, *Low-Income Targeted Population* or *Other Targeted Population*, but may designate more than one, if necessary to demonstrate that a minimum of 60% of its activities are directed towards an eligible *Target Market*. The eligibility requirements for the *Target Market* are as follows:

An *Investment Area* will be found to be eligible if it:

- (1) is entirely located within the *United States*;
- (2) is comprised of an eligible *Geographic Unit(s)*¹; and either:
 - (a) Encompasses or is located in a Federally-designated Empowerment Zone or Enterprise Community; or
 - (b) Meets at least one of the CDFI Fund's five tests of economic distress² and has unmet needs for loans or *Equity Investments*.

A CDFI may serve one or multiple *Investment Areas*, as needed to fully define its *Target Market*.

A *Low-Income Targeted Population* will be found to be eligible if it is comprised of individuals whose family

income is not more than:

- (1) For metropolitan areas, 80% of the metropolitan area median family income; and
- (2) For non-metropolitan areas, the greater of 80% of the area median family income or 80% of the statewide non-metropolitan area median family income.

An *Other Targeted Population* will be found to be eligible if it is an identifiable group of individuals that lacks adequate access to loans or *Equity Investments* in the applicant's service area. An *Other Targeted Population* shall be comprised of people who have historically been denied access to loans or *Equity Investments* due to factors including gender, race, ethnicity, national origin and creed. An *Other Targeted Population* must be comprised of groups of people, as opposed to groups of institutions (such as small businesses or cooperative enterprises). An applicant, in addition to demonstrating that it serves such a group, must also demonstrate that the members of the group lack adequate access to loans or *Equity Investments*.

An organization seeking to determine whether its borrowers, investees, or recipients of its other services are members of an eligible *Low-Income Targeted Population* or *Investment Area* should use the CDFI Fund Online Help Desk at the CDFI Fund's web site (www.treas.gov/cdfi). If you have questions on how to use this information, or cannot access the web site, please contact the Fund at (202) 622-8662.

Demonstrating that Activities are Directed Towards the Target Market

In general, an applicant must demonstrate that a minimum of approximately 60% of its total activities are directed to serving an eligible *Target Market*. To demonstrate that the applicant meets or surpasses this 60%

¹ An *Investment Area* shall consist of a single *Geographic Unit* or a group of contiguous *Geographic Units*. Such contiguous units do not each have to meet one of the distress criteria. However, the combined population of *Geographic Units* which do not meet any distress criteria may not exceed 15% of the total population of the *Investment Area*. Contiguous *Geographic Units* in an *Investment Area* do not each have to meet the same distress criteria.

² An *Investment Area* will be considered distressed if it meets at least one of the following five criteria of economic distress: 1) has a high concentration of poverty; 2) has a low median family income; 3) has a high rate of unemployment; 4) has a high percentage of occupied distressed housing; or 5) has experienced a significant loss in population. These five criteria are further defined in the Glossary and the applicable CDFI Fund regulations found at 12 CFR Part 1805.201(b).

Community Development Financial Institutions Fund

Part II-D. Certification Materials

threshold, the applicant must show that it serves its Target Market directly (e.g., loans directly to Low-Income people or loans directly to residents of an Investment Area) and/or indirectly (e.g., loans to businesses that are using the loan proceeds to create or sustain jobs for Low-Income people or residents of an *Investment Area*, or loans to developers of housing for residents of an *Investment Area*).

For purposes of this requirement, an activity that serves a Target Market indirectly (e.g., a loan to a small business that hires Low-Income people) shall be counted as serving the Target Market if at least 60% of the end beneficiaries (e.g. employees of the business receiving assistance from the applicant) are members of the Target Market. In cases in which an applicant cannot demonstrate that at least 60% of the end beneficiaries of a given product or service are members of the Target Market, the Fund may still consider the activity as serving the Target Market if, in the opinion of the Fund, the applicant: 1) makes a good faith effort to serve the Target Market (e.g., by mandating that recipients of small business loans seek to fill positions first from State welfare lists or other sources of Low-Income workers); and 2) tracks the extent to which end beneficiaries are members of the Target Market.

Information Needed from the Applicant:

1. Indicate which Target Market(s) you are designating (check all that apply):
 - ☐ Investment Area(s)
 - ☐ Low-Income Targeted Population
 - ☐ Other Targeted Population(s) (Specify populations(s):_____)
2. For applicants designating one or more Investment Area(s), prepare and attach an Investment Area Worksheet and Investment Area Map. These materials must be obtained from and prepared using the CDFI Fund Online Help Desk at the CDFI Fund's web site (www.treas.gov/cdfi). Detailed instructions on how to prepare and submit this information are available on the web site. If you have questions on how to prepare these materials, or cannot access the web site, please contact the Fund at (202) 622-8662.
3. For applicants designating one or more Investment Area(s), provide a brief narrative describing the unmet loan or Equity Investment needs of the Investment Area(s). For example, an applicant may illus-

trate a lack of bank branches within geographic proximity to the Investment Area(s); or that its borrowers experience a high rate of loan declines from existing financial institutions.

4. For applicants designating a Low-Income Targeted Population and/or Other Targeted Population, specify the service area from which the Targeted Population is drawn (which could be a local, regional, or national service area): _____

Applicants serving a Low-Income Targeted Population may consult the CDFI Fund Online Help Desk at the CDFI Fund's web site (www.treas.gov/cdfi) to ascertain data relating to area median family incomes.

5. For applicants designating an Other Targeted Population, provide a brief narrative (suggested length: 1-2 pages) which references studies, surveys or other information demonstrating: a) that the designated population as a whole, either nationally or in the applicant's service area, has unmet loan or Equity Investment needs; and b) that the applicant's clients who are members of the designated population have unmet loan or Equity Investment needs. An applicant may demonstrate item "b" above by providing, for example, information that its clients that comprise the identifiable group of individuals have been denied loans from traditional financial institutions, or that such clients live in areas which are inadequately serviced by financial institutions.
6. All applicants must complete the Applicant Activity Table, below, indicating the extent to which the applicant organization's Financial Products and Development Services are directed to the defined Target Market. Please attach narrative information (suggested length: 1 page) describing how your organization documents that activities shown as serving a Target Market are in fact being provided to that Target Market. For example, if an organization serves a Low-Income Targeted Population, it should indicate how it verifies that its clients (or its clients' end beneficiaries) are Low-Income. Similarly, if an organization serves an Investment Area, it should indicate how it determines that its clients are residents of the Investment Area.

NOTE: If an applicant does not track the information required in the Applicant Activity Table on a product-by-product or client-by-client basis, it may estimate the amount of activities directed to

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Part II-D. Certification Materials

its *Target Market*. In such cases, the applicant must identify in its narrative those cases in which estimates were used, and must provide an explanation of how the estimate was derived. For example, an applicant may survey a random sample of its borrowers in order to estimate the proportion of its loans that are directed to its *Target Market*, provided it documents the methodology used in the survey.

7. Estimate the percentage of your organization's "other" activities (such as *Financing Related Activities*, real estate management, social service delivery, etc.) that are directed towards its *Target Market(s)*:
_____%.

NOTE: The Fund may request additional information from the applicant in circumstances where "other" activities constitute a significant portion of the applicant's total activities.

8. Do you believe, based upon the information provided under questions 1-7 of this subsection, that your organization currently meets the requirements of the *Target Market* test?

☐ Yes

☐ No

If no, provide narrative (suggested length: one page) indicating what steps will be taken by your organization to ensure that it meets the *Target Market* requirements within 24 months from September 30 of the calendar year in which the applicable application deadline falls.

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Applicant Activities Table

Provide the information below only for the applicant's most recently completed fiscal year. The Fund may request information on additional past years if the activity levels described below are not conclusive.

- In columns 2 through 4, report only those activities that correspond to the *Target Market* that you designated in question 1, above.
- Include activity that is in more than one *Target Market* only once. For example, a Low-Income borrower that also resides in an *Investment Area* should only be included in one column.

	1	2	3	4	5	6
Measures	Total Activity	Activity in Investment Area(s)	Activity to Low-Income Targeted Population	Activity to Other Targeted Population(s)	Total Target Market Activity (column 2+3+4)	Target Market Activity as % of Total Activity (column 5/column 1)
Loans						
Number of loans						%
Dollar amount of loans	\$	\$	\$	\$	\$	%
Equity Investments						
Number of Investments						%
Dollar amount of Investments	\$	\$	\$	\$	\$	%
Deposits¹						
Number of Deposit Accounts						%
Dollar amount of Deposit Accounts	\$	\$	\$	\$	\$	%
Development Services						
Number of clients receiving <i>Dev. Services</i>						%
Grants or Deposits² to CDFIs or potential CDFIs (CDFI Intermediaries only)						
Dollar amount of grants and deposits	\$	\$	\$	\$	\$	%

¹ This refers to deposits or share accounts in applicants that are *Insured Depository Institutions* or insured credit unions.

² This refers to deposits made by a *CDFI Intermediary* to *Insured Depository Institutions* and/or insured credit unions that are CDFIs or emerging CDFIs.

4. DEVELOPMENT SERVICES

Purpose: To determine whether an applicant provides *Development Services* in conjunction with its financing activities.

Key Criteria: An applicant must demonstrate that it provides *Development Services* which, by definition, are directed to the recipients or potential recipients of the applicant's *Financial Products*. In order for an activity to be classified as a *Development Service*, an applicant must demonstrate a clear link between the activity and the applicant's *Financial Products*. Thus, an applicant that is primarily a training, counseling, or technical assistance provider cannot count these activities as *Development Services* if, in the judgment of the Fund, such services are not intended to prepare an existing or potential borrower or investee of the applicant to utilize the *Financial Products* of the applicant. The Fund does not specify a minimum ratio of an applicant's *Development Services* to its financing activities, recognizing that this ratio may vary depending upon an applicant's specific products and market.

Common examples of *Development Services* include homebuyer counseling, business plan development, training on business finances, and technical assistance on improving a borrower's credit rating. Applicants may provide *Development Services* through their own staff (as indicated in the Staff Allocation Table of this application) through the staff of an *Affiliate* or through a contract with another provider (as long as the applicant is directing the provision of those services).

Information Needed from the Applicant:

1. How does your organization provide *Development Services*? (Check all that apply).
 - ☐ Provides *Development Services* directly;
 - ☐ Provides *Development Services* through an *Affiliate* (name of *Affiliate*): _____;
 - ☐ Provides *Development Services* through a contract with a non-*Affiliate* organization (name of provider): _____.
2. Approximately what percentage of *Development Services* clients apply for *Financial Products* from your organization? _____%
3. Provide a brief narrative describing the content of your *Development Services* (Suggested length: one page). If your organization provides *Development Services* through a contract with a non-*Affiliate* organization, also describe the terms of the contract and the extent to which your organization directs the provision of those services.
4. Do you believe, based upon the information provided under questions 1-3 of this subsection, that your organization currently meets the requirements of the *Development Services* test?
 - ☐ Yes
 - ☐ No

If no, provide narrative (suggested length: one page) indicating what steps will be taken by your organization to ensure that it meets the *Development Services* requirements within 24 months from September 30 of the calendar year in which the applicable application deadline falls.

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Part II-D. Certification Materials

5. ACCOUNTABILITY

Purpose: To determine whether an applicant maintains accountability to its defined *Target Market*.

Key Criteria: The most definitive means by which an applicant may demonstrate that it is accountable to its *Target Market* is by demonstrating that members of its governing board are representative of the *Target Market*. An organization may maintain accountability to its *Target Market* either by having on its governing board individuals who are themselves representative of the *Target Market* (e.g., *Low-Income* individuals) or by having representatives of organizations that primarily serve the *Target Market* (e.g., staff or board members of a non-profit organization that principally serves *Low-Income* individuals). The Fund does not specify a minimum percentage of governing board members that must be residents of the applicant's *Investment Area(s)* and/or members of the *Targeted Population(s)*. The Fund will evaluate such accountability on a case by case basis, taking into consideration the size of the governing board along with the diversity of its membership.

If an applicant has designated both an *Investment Area(s)* and a *Targeted Population(s)*, the applicant must demonstrate that it maintains accountability to each portion of its *Target Market*. For example, if an applicant has identified an *Investment Area* in a city and has also identified a *Low-Income Targeted Population* drawn from the broader metropolitan area, the applicant must maintain accountability to the residents of the *Investment Area* and the *Low-Income Targeted Population*.

An applicant may satisfy the accountability requirement through means other than representation on its governing board – such as through advisory boards, focus groups, community meetings, or community or client surveys. In evaluating such means of maintaining accountability, the Fund will consider how often information is collected from the *Target Market*, and whether it is used by the applicant in making decisions that affect the *Target Market*.

Information Needed from the Applicant:

1. How does your organization maintain accountability to the residents of your defined *Investment Area(s)* and/or *Targeted Population(s)*? (check one or both).
☐ Through the governing board (answer question 2, below)
☐ Through other means (answer question 3, below)
2. If your organization maintains accountability through a governing board, complete the information below:

What is the total number of governing board members? _____

How many members of your organization's governing board are representative of its defined *Investment Area(s)* and/or *Targeted Population(s)*? (e.g., residents of an *Investment Area*; *Low-Income* individuals; or representatives of non-profit organizations that principally serve a *Targeted Population*): _____

Attach a list of your Board Members, indicating which members are representative of the defined *Target Market* and how they are representative of that *Target Market*.
3. If your organization maintains accountability through a means other than its governing board, provide a brief narrative describing how your organization maintains accountability to its defined *Target Market*. (Suggested length: one page). This narrative shall address how your organization uses its accountability approach to inform decisions made by the governing board that affect its *Target Market*.
4. Do you believe, based upon the information provided under questions 1-3 of this subsection, that your organization currently meets the requirements of the Accountability test?
☐ Yes
☐ No

If no, provide a narrative (suggested length: one page) indicating what steps will be taken by your organization to ensure that it meets the Accountability requirements within 24 months from September 30 of the calendar year in which the applicable application deadline falls.

6. NON-GOVERNMENT ENTITY

Purpose: To determine whether an applicant is a non-government entity and is not controlled by one or more government entities.

Key Criteria: An applicant must demonstrate that it is not a government entity and is not controlled by one or more government entities¹. In general, the Fund considers the following factors, among others, as indicative of an applicant's being controlled by one or more government entities:

- If one or more government entities or government officials control the election or appointment of a majority of the members of the applicant's board of directors. Even if no single government entity or official controls the election of the board, the Fund will consider an applicant to be governmentally controlled if a combination of separate government entities or officials control the election of a majority of the board.
- If the applicant is controlled by a parent organization that is controlled by one or more government entities.
- If one or more government entities select or have veto power over the selection of the applicant's executive director, chief executive officer, or comparable officer.
- If one or more government entities control or have veto power over the applicant's loan or investment decisions.

An entity that was created by or receives substantial assistance from one or more government entities may still meet this requirement provided that, in the judgment of the Fund, it is not controlled by such entities and maintains independent decision making authority over its activities.

Information Needed from the Applicant:

1. Indicate on the applicant organization's board list with an asterisk (*) any members who are government employees or elected or appointed government officials.
2. Answer the questions below by placing a check in each applicable box. If you check any "yes," provide a brief narrative explaining the circumstances and whether this affects the applicant's ability to meet this requirement.
 - a. Do one or more government entities or officials control the election or appointment of a majority of the mem-

bers of the board of directors of the applicant?

- ☐ Yes
☐ No

- b. Do the articles of incorporation or bylaws of the applicant require that a certain number of the applicant's board members be government employees or elected or appointed government officials?
☐ Yes
☐ No
- c. Do one or more government entities select or have veto power over the selection of the executive director, chief executive officer, or comparable official of the applicant?
☐ Yes
☐ No
- d. Do one or more government entities control or have veto power over the financing decisions of the applicant?
☐ Yes
☐ No
- e. Are a majority of the applicant's board members themselves elected or appointed government officials?
☐ Yes
☐ No
- f. Does any government entity provide more than 50% of the applicant's operating budget or financing capital?
☐ Yes
☐ No
- g. If the applicant organization is controlled by another entity, is that entity controlled by one or more government entities?
☐ Yes
☐ No

3. Do you believe, based upon the information provided under questions 1-2 of this subsection, that your organization currently meets the requirements of the Non-Government Entity test?
☐ Yes
☐ No

If no, provide narrative (suggested length: one page) indicating what steps will be taken by your organization to ensure that it meets the Non-Government Entity requirements within 24 months from September 30 of the calendar year in which the applicable application deadline falls.

¹ For purposes of this requirement, the Fund does not consider organizations operated or controlled by a tribal government to be an agency or instrumentality of the government of the United States or any State or any political subdivision of a State. Thus entities that are tribal entities or controlled by tribal government entities may still be eligible as CDFIs.

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Community Development Financial Institutions Fund

Part III. *Comprehensive Business Plan*

The *Comprehensive Business Plan* outlines the mission, goals, and current capacity of your organization, and its strategy over the next five years. Sections A through G below will be used to evaluate the applicant's objectives and its ability to carry out its *Comprehensive Business Plan*. These sections will be evaluated and scored for a maximum of 60 points. Suggested length: not to exceed 18 pages.

A. EXECUTIVE SUMMARY

Suggested length: one page. No points allotted.

Provide a brief summary of your business plan, including your organization's mission, products and services, market(s) served, and key proposed activities. Highlight the key points of the proposed strategy and expected achievements.

B. COMMUNITY DEVELOPMENT TRACK RECORD

Suggested length: 1-2 pages. Maximum Points: 10 for established organizations, 0 for *Start-Ups*.

NOTE: Although *Start-Ups* are not scored under Section B during Phase One substantive review, they must submit the information requested. It will be considered during Phase Two of the substantive review process.

1. Complete the "actual" portion of the Activities Level Chart (found at the end of Part III of this application) relating to activities covering the applicant's past three fiscal years, or during its period of operation if less than three fiscal years.
2. Provide a brief narrative about your organization's track record of serving its market, (with an emphasis on its designated *Target Market*), especially over the past three years. Discuss the direct and indirect impact that the activities highlighted in the Activities Level Chart have had on your market. Quantify these impacts if possible (e.g., the number of jobs created or retained, the growth in revenues of businesses assisted, the number of housing units developed, the number of families becoming homeowners).

C. FINANCIAL AND OPERATIONAL CAPACITY

Suggested length: 2-3 pages. Maximum Points: 10 for established organizations, 4 for *Start-Ups*.

NOTE: *Start-Ups* will be scored only for Item 3 under Section C during Phase One substantive review. Items 1 and 2 must be completed, however, so that the information can be considered during Phase Two of the substantive review process.

1. Financial Statements

Non-regulated applicants: Submit audited financial statements (or financial statements that have been reviewed by an independent Certified Public Accountant) for the applicant's three most recently completed fiscal years, or for as many fiscal years as available if an applicant has been in operation for less than three years. Such documents must include:

- a. balance sheets (statements of financial position);
- b. income and expense statements (statements of activities);
- c. statements of cash flows;
- d. notes to the financial statements and, if applicable, auditor's opinion letter and any reports of findings.

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Part III. Comprehensive Business Plan

If the financial statements of the applicant are consolidated with an *Affiliate*, and the statements do not include a schedule that indicates the applicant organization's financial position and income and expenses, either: a) submit a separate set of internal financial statements for the applicant alone; or b) complete the attached Financial Data Input Chart (found at the end of Part III of this application) for the applicant entity alone. If your organization does not have audited or reviewed financial statements, submit internal financial statements and explain why audited statements are not available.

Regulated applicants: Submit financial statements that have been reviewed by the applicant's appropriate Federal Banking Agency (e.g., a Call Report or National Credit Union Administration Form 5300) for the three most recent fiscal years available, or for as many fiscal years as available if an applicant has been in operation for less than three years. (The Fund recognizes that reviewed fiscal year statements are often not available until March of the following fiscal year. Therefore, the applicant should submit the most recent available statement).

All applicants: Provide a brief narrative explanation of significant trends or discrepancies shown in the financial statements. In particular, explain patterns or trends of negative net income, declining operating expenses, changes in loans to assets ratios or declining net assets.

2. Portfolio Quality

Complete the Loan Portfolio Quality Chart (found at the end of Part III of this application). Provide a narrative explanation of portfolio performance, including a discussion of any significant trends or discrepancies shown in the chart.

NOTE: An applicant may submit its own internal portfolio aging report instead of completing the Loan Portfolio Quality Chart only if its internal report uses the same aging categories and the same definitions, and is aggregated across all loan programs. To the extent that the internal report does not contain the information requested in the Loan Portfolio Quality Chart, please complete the appropriate sections of the Chart.

An applicant principally engaged in *Equity Investment* activities must submit a customized report on the performance and valuation of its investment portfolio for the last three years instead of completing the Loan Portfolio Quality Chart.

3. Policies and Procedures

Does your organization have and use written policies/procedures regarding the following? (if yes, attach):	YES	NO
Loan/investment review (underwriting) and approval		
Portfolio monitoring and management (e.g., risk rating system, portfolio diversification strategy, collections policy, reserve policy, write-off policy)		
Financial management or asset management (e.g., cash management, internal controls)		

If practices differ from the written policies and procedures, please explain. If applicant checked "No" for any item above, please explain why such policies/procedures have not been adopted.

4. Insured CDFIs

If your organization plans to become an *Insured Credit Union* or an *Insured Depository Institution*, discuss your plans and timetable.

D. CAPACITY, SKILLS AND EXPERIENCE OF THE MANAGEMENT TEAM

Suggested length: 2-4 pages. Maximum Points: 14 for established organizations, 30 for *Start-Ups*.

1. Management and Staff Experience

- a. Provide an organizational chart or other information on the staff levels and functions within your organization.
- b. Provide a narrative describing your management capacity as it relates to your current and future ability to provide existing and proposed products and services. Be sure to discuss: 1) the total number of staff at your organization; 2) the main functions and responsibilities of each key staff position; 3) any expected changes in key staff or staff functions in the next year, including position descriptions of any vacant positions; and 4) the role that advisors, consultants or volunteers play in your organization.
- c. Provide resumes of key staff persons and, if applicable, resumes of key advisors, consultants and volunteers.

2. Board of Directors

- a. Provide a current list of the governing board (or, if applicable, advisory board) members. Be sure to identify: 1) the organizational affiliation (organization, address, and position); 2) the board officers; and 3) members of key committees (e.g., loan committee).
- b. Discuss the role(s) of the board of directors (or, if applicable, advisory board) with respect to the governance of your organization. Briefly describe the duties and responsibilities of each key board position (e.g., board officers, committee officers).
- c. Provide resumes or brief biographical statements of key board members.

E. MARKET ANALYSIS, PROGRAM DESIGN AND IMPLEMENTATION PLAN

Suggested length, 2-4 pages. Maximum Points: 12

1. Products and Services

Describe your current and proposed products and services. For loan and investment products, discuss minimum and maximum amounts, rates, terms, uses, and eligibility requirements. For *Development Services*, discuss the types of technical assistance, counseling services or related assistance that are or will be provided by your organization (either directly, through an Affiliate, or by contract with a third party provider) to its borrowers or potential borrowers.

2. Market Context, Customers and Demand

Briefly describe your market and, if different, your *Target Market*. Discuss the extent of economic distress within your *Investment Area(s)* and/or the extent of need within your targeted population(s) as measured by objective criteria. Discuss the level of demand for your products and services, especially within your *Target Market*. To the extent possible, quantify the size of your market and the size of demand for your products and services. Discuss how your products and services address the needs and demand of the *Target Market*, and identify any activities that your organization engages in to develop, test, and adapt its products and services in response to customer needs, demand and market opportunities.

NOTE: Demand is not the same as need. By demand, the Fund means the measurable level of interest for your organization's products and services, not simply the level of distress or lack of access to capital or financial services in your market.

Community Development Financial Institutions Fund

Part III. *Comprehensive Business Plan*

3. Outreach and Delivery

Briefly describe how your organization markets and delivers its products and services to its *Target Market*. Describe what your organization does, if anything, to build demand within your *Target Market*.

4. Other Providers

Identify and discuss actual or potential competitors or other entities providing financial products and services in your market, and how you differentiate your products and services.

5. Coordination

Briefly describe how you will leverage resources by coordinating with other providers within your market, specifically addressing the following:

- a. The extent of community support from your Target Market for your organization and its activities and how you will coordinate with any of the following in your delivery of products and services to your market: *Affiliates*, community organizations, financial institutions, tribal governments, and other public and private entities.
- b. The extent to which your activities are consistent with existing economic, community, and housing development plans adopted by or applicable to your *Target Market*.
- c. Your plan to coordinate the use of assistance from the Fund with existing government assistance programs and private sector resources.
- d. If you have a *Community Partnership*, attach the written agreement between your organization and the *Community Partner*. Briefly discuss the role of the *Community Partner* in delivering products and services in your market. Describe how you will ensure quality performance by the *Community Partner*, how the *Community Partnership* will enhance the likelihood of success of the *Comprehensive Business Plan*, and how service to the *Target Market* will be better performed by a partnership than by your organization alone.

F. PROJECTED ACTIVITIES AND COMMUNITY DEVELOPMENT IMPACT

Suggested length, 2-3 pages. Maximum Points: 10

1. Activity Levels and Community Development Impact

- a. Complete the “projections” portion of the Activities Level Chart (found at the end of Part III) relating to activities corresponding to the 5 year period covered under the *Comprehensive Business Plan*.
- b. Provide a brief narrative discussion of the projections with a focus on how the projected activities will expand economic opportunities within your *Target Market*. Discuss the extent to which you will increase the volume of your activities, offer more products or services, and/or expand operations to serve a new *Target Market*. If projected levels of activity are lower than historical levels or do not increase each year, explain.
- c. Provide a brief discussion of the community development impacts that your activities are expected to generate in the future. Provide quantitative projections of these impacts (e.g., the number of jobs created or retained; the growth in revenues of businesses assisted; the number of housing units developed that are affordable to your *Target Market*; the number of families becoming homeowners). For at least two of the quantitative community development impacts, complete the five-year projections in the Community Development Impacts Chart (found at the end of Part III of this application). To the extent possible, also complete the three-year historical figures found in the Chart.
- d. Provide a discussion of the extent to which you will concentrate your activities and target your resources to your *Target Market*.

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Part III. *Comprehensive Business Plan*

- e. If applicable, provide information to demonstrate the extent to which your organization is, or will be, *Community Owned* or *Community Governed*.

2. Previous Awardees

Organizations that have previously received either financial or technical assistance from the Fund should also:

- a. Provide information regarding the extent to which your organization has been successful in meeting its performance goals, financial and managerial soundness covenants, and other requirements in its previous *Assistance Agreement(s)* with the Fund.
- b. Describe what benefits will be created with additional Fund assistance, over and above the benefits created with previous assistance from the Fund.

G. FUNDING SOURCES

Suggested length, 1 page. Maximum Points: 4

Discuss the following through narrative, charts or tables. The information should demonstrate that your organization would not be dependent on future assistance from the Fund for its continued viability. You may reference the financial statements that are submitted with this application.

1. Your organization's strategy for sustaining its projected activities through earned income, grants, contributions or other resources; and
2. The extent to which funding sources are, or will become, diversified.

Comprehensive Business Plan Charts

Applicants must complete the following charts, which are included at the end of this section:

1. Activities Level Chart
2. Community Development Impact Chart
3. Loan Portfolio Quality Chart
4. Financial Data Input Chart

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Community Development Financial Institutions Fund

Part III. Comprehensive Business Plan

Activities Level Chart

Instructions: The "Actual" columns should reflect activities from your three most recently completed fiscal years, and the "Projected" columns should reflect estimates regarding activities you expect to achieve over the life of your five year business plan. Use extra sheets if necessary.

For each type of lending or Equity Investment activity (business, housing, facilities, etc.), provide an appropriate measure of volume, such as the annual number and dollar amount of loans closed, dollars outstanding at year end, etc. (CDFI Intermediaries should include grants to CDFIs or emerging CDFIs and deposits in insured CDFIs or emerging CDFIs). For Financial Services (savings accounts, checking accounts, IDAs, etc.), provide an appropriate measure of activity level, such as the number of accounts opened each year. For each type of Development Service (business training, homeowner training, etc.), provide an appropriate measure of activity level, such as the number of clients to complete a training course, the number of clients receiving technical assistance, or the number of staff hours spent providing technical assistance.

Activity	Actual			Projected			% to Target Market
	FY	FY	FY	FY	FY	FY	
A. Lending or Equity Investments							
B. Financial Services							
C. Development Services							

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Part III. Comprehensive Business Plan

Community Development Impact Chart

Instructions: List at least two indicators that the applicant uses to measure the community development impact of its products and services. For each, provide historic levels (if available) and five year projections. The five year projections should correspond to the five year period covered under the *Comprehensive Business Plan*, and the historic levels should reflect activities undertaken in each of the applicant's past three completed fiscal years. Some examples of impact indicators include: number of affordable housing units developed; number of distressed properties renovated; number of child care spaces developed; number of jobs created or retained; number and dollar amount of loans or *Equity Investments* to firms that serve the *Target Market*; applicant's average increase in business revenues generated by business or microenterprise borrowers; average increase in family income of business or microenterprise borrowers; number of first-time homebuyers receiving mortgage loans; dollar amount of first mortgages originated by third-party lenders in which the applicant holds the second mortgage; number of savings accounts opened by individuals who have not previously had a savings account; etc.

Impact Indicator	Actual			Projected					% to Target Market
	FY	FY	FY	FY	FY	FY	FY	FY	

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Part III. Comprehensive Business Plan

Loan Portfolio Quality Chart

Loan Portfolio Aging Schedule				End of FY ____	
Non-Regulated Institutions	Insured Credit Unions	Bank & Thrifts	Number	Principal Outstanding	
a 31 to 60 days	2 to 6 months	30 to 89 days		\$	
b 61 to 90 days	6 to 12 months	90+ days		\$	
c 90+ days	12 months or more	Total Non-Accrual Loans		\$	
d Gross Loans Receivable (or Total Loans) with payments past due (sum of a thru c)				\$	
e Portfolio-at-Risk or Delinquency Ratio (d divided by f)				%	
Loan Loss Experience				End of FY ____	End of FY ____
f <i>Total Outstanding Loan Portfolio</i>			\$		\$
g <i>Net Write-Offs or Net Charge-Offs</i>			\$		\$
h Annual Net Loan Loss Ratio (g divided by f)				%	%
i <i>Loan Loss Reserve</i> (cash reserves)			\$		\$
j <i>Loan Loss Reserve</i> (accrual)			\$		\$
k Loan Loss Reserve Ratio (sum of i plus j divided by f)				%	%

Instructions for completing the Loan Portfolio Quality Chart:

- (1) Refer to Glossary for definitions of terms in *Capitalized Italics*.
- (2) Items in **bold** are to be calculated by the applicant.
- (3) Under the "Loan Portfolio Aging Schedule," provide information as of the end of your organization's most recently completed fiscal year.
- (4) Under "Loan Loss Experience," provide information for your organization's three most recently completed fiscal years.

Community Development Financial Institutions Fund

Part III. Comprehensive Business Plan

Financial Data Input Chart

NOTE: This table does not need to be completed by all applicants. Only those applicants that do not have financial statements separate from their affiliate organizations need to complete this table.

		End of FY ____	End of FY ____	End of FY ____
ASSETS	Cash, cash equivalents & marketable securities	\$	\$	\$
	Total Current Assets	\$	\$	\$
	Total Outstanding Loan Portfolio and/or Total Outstanding Equity Investment Portfolio	\$	\$	\$
	Total Assets	\$	\$	\$
LIABILITIES	Total Current Liabilities	\$	\$	\$
	Total Adjusted Notes Payable	\$	\$	\$
	Total Liabilities	\$	\$	\$
EQUITY	Net Assets	\$	\$	\$
	Total Equity Capital Available	\$	\$	\$
INC&EXP	Total Earned Income	\$	\$	\$
	Total grants and contributions	\$	\$	\$
	Total Expenses	\$	\$	\$

Instructions for completing the Financial Data Input Chart:

- (1) Refer to Glossary for definitions of terms in *Capitalized Italics*.
- (2) Report data on the applicant's three most recently completed fiscal years.
- (3) The sum of "Total Earned Income" and "Total grants and contributions" should equal the organization's total income.

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Part IV. *Technical Assistance Proposal*

The *Technical Assistance Proposal (TAP)* describes the basis for technical assistance which the applicant is requesting from the Fund in order to build its capacity to achieve the objectives described in the *Comprehensive Business Plan*. The suggested length of the *TAP* is 6-8 pages. It will be scored for a maximum total of 40 points.

1. Describe the capacity needs of your organization necessary to carry out its five year Comprehensive Business Plan (as described in Part III of this application). This should include a description of the type(s) of technical assistance needed to meet these identified capacity needs.
2. Complete the *Technical Assistance Award* Request Form at the end of Part IV of this application. The amounts identified there should be consistent with the figures provided in the Award Summary section of Part I of this application (see page 6 of this application). Please note that eligible uses of *Technical Assistance Awards* include the costs of obtaining consulting services, the acquisition of technology, staff or management training, and other eligible activities. *Technical Assistance Awards* cannot be used for costs deemed to be operating expenses, including staff salaries, rent, interest on borrowed money, and printing costs. *Technical Assistance Awards* may not be used to assist an awardee to prepare an application for funding to the CDFI Fund or to any other source.
3. Describe the strategy to address the capacity building needs described above, including timing, additional resources that may be used, and the process for selecting consultants and vendors. If consultants are already identified, please include statement(s) of qualifications. If you plan to use consultants, but have not yet identified them, describe the qualifications you will seek for such technical assistance providers. Include scope(s) of work for proposed or executed consulting contracts. If training is being proposed for staff or management, identify what training is being sought and through which providers of training.
4. Describe why the Fund should consider making a *Technical Assistance Award* to your organization. What value would the *Technical Assistance Award* add to your organization and its services to its *Target Market*? Describe how the *Technical Assistance Award* would directly or indirectly improve conditions in your *Target Market*. Describe how meeting your identified capacity building needs would translate into greater community development impact as described under Part III of this application, for example: achieving greater operating efficiencies may enable your organization to serve more individuals without increasing staffing levels; or increasing staff expertise through training may allow your organization to add an additional loan product that in turn will be able to increase the availability of affordable child care in your *Investment Area*.

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Part IV. TAP Award Request Form

Technical Assistance

What is the dollar amount of the *Technical Assistance Award* requested? \$ _____

Please complete budget items a through d below.

- a. Consultants: (List each consulting contract separately. For each contract list the name of the consultant, a key phrase describing the scope of work [such as strategic plan or market analysis], actual or projected date of completion of contract activities, and the actual or projected cost of the consulting contract.)

Consultant	Scope of Work	Completion Date	Cost
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
a. Total Consultants Cost:			\$ _____

- b. Technology: (List each item to be acquired, projected date of acquisition and its projected cost separately.)

Technology Item	Date of Acquisition	Cost
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
b. Total Technology Cost:		\$ _____

- c. Training: (List each training event separately. For each training event, list the number of people to attend from your organization, date and place of training event, and name of training provider. Include the actual or projected cost of registration fees, travel and per diems connected with attendance at each training event.)

Training Event	# Attendees	Date, Place	Provider	Cost
_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	\$ _____
c. Total Training Cost:				\$ _____

- d. Other: (List separately other TA activities that do not fit in the above categories. For each activity list a description of the activity, the provider of the activity, the projected date of completion of the activity and the cost of the activity.)

TA Activity	Provider	Completion Date	Cost
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
d. Total "Other" Costs:			\$ _____

Total *Technical Assistance Award* requested (the sum of a, b, c, and d above) \$ _____